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**OFFICE OF THE MONTANA STATE AUDITOR
COMMISSIONER OF SECURITIES AND INSURANCE**

IN THE MATTER OF)	
)	
AFFINION BENEFITS GROUP, LLC;)	CASE NO.: INS-2014-332
MINNESOTA LIFE INSURANCE)	
COMPANY; UNITED STATES LIFE)	CONSENT AGREEMENT AND
INSURANCE COMPANY IN THE CITY)	FINAL ORDER RE:
OF NEW YORK; FEDERAL)	FEDERAL INSURANCE COMPANY
INSURANCE COMPANY;)	
TRANSAMERICA PREMIER LIFE)	
INSURANCE COMPANY,)	
)	
Respondents.)	

This Consent Agreement and Final Order is entered into by the Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI), acting pursuant to the authority of Mont. Code Ann. § 2-4-603, and the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et. seq. (the Code); and Federal Insurance Company (Respondent).

RECITALS

WHEREAS, on August 1, 2017, the CSI issued an Amended Notice of Proposed Agency Action and Opportunity for Hearing, incorporated herein by reference, wherein it was alleged that Respondent engaged in conduct that violated the Code by virtue of its affiliation with Affinion Benefits Group (ABG);

WHEREAS, Respondent has fully cooperated with the CSI to resolve this matter; and

WHEREAS, the CSI and Respondent agree that the parties' best interests would be served by entering into the following specific agreement and undertakings set forth below.

NOW, THEREFORE, the parties desiring to fully and finally resolve all matters alleged and in consideration of the mutual undertakings established herein, the CSI and Respondent enter into the following:

STIPULATIONS AND CONSENTS

Without admitting or denying any of the CSI's allegations, Respondent stipulates and consents with the CSI to the following:

1. Within 30 days of the execution of the Final Order, Respondent agrees to pay \$20,000, to the State of Montana. The payment must be in the form of a check made payable to the Montana State Auditor's Office, and sent to Montana State Auditor, c/o Lisa Monroe, 840 Helena Avenue, Helena, MT 59601.
2. Respondent agrees to comply with applicable Montana law regarding:
 - a) The issuance of policies to eligible groups;
 - b) The sale and marketing of insurance;
 - c) The payment of commissions, rebates, and inducements;

d) The review of advertising materials;

e) The filing of forms.

3. Respondent agrees to require that its agents, producers, and administrators comply with applicable law including, as applicable, those addressed in paragraph 2 above.

4. Respondent agrees to file Activation Forms pursuant to § 33-1-501.

5. Respondent acknowledges that its authorized representative signing this Consent Agreement has read and understands each term of this Consent Agreement and that this Consent Agreement is entered into voluntarily and without reservation.

6. Respondent and the CSI agree that this Consent Agreement resolves the alleged violations relating to this action.

7. Respondent and the CSI hereby acknowledge and agree that this Consent Agreement constitutes the entire agreement between the parties and that no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce the Respondent to enter into this Consent Agreement.

8. With respect to the allegations herein, Respondent specifically and affirmatively waives a contested case hearing and its right to appeal under the Montana Administrative Procedures Act, including Title 2, Chapter 4, Part 7, and elects to resolve this matter on the terms and conditions set forth herein.

9. The CSI warrants and represents that it does not now have any intent to bring further action against Respondent for conduct alleged relating to this action.

10. Respondent fully and forever releases and discharges the CSI, and all CSI employees and agents from any and all actions, claims, causes of action, demands, or expenses

for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the CSI's allegations.

11. The parties acknowledge and agree that this Consent Agreement may not be modified orally, and any subsequent modifications to this Consent Agreement must be mutually agreed upon in writing with the same formality of this Consent Agreement to be effective.

12. The CSI and the Respondent agree that this Consent Agreement shall be incorporated into and made a part of the attached Final Order issued by the Montana State Auditor, Commissioner of Securities and Insurance (Commissioner) herein.

13. Respondent further understands that, upon the signing of the Final Order by the Commissioner or his representative, this Consent Agreement and Final Order will be an Order of the CSI and failure to comply with it may constitute a separate violation of the Montana Insurance Code, as provided in Mont. Code Ann. § 33-1-318, and may result in subsequent legal action by the CSI.

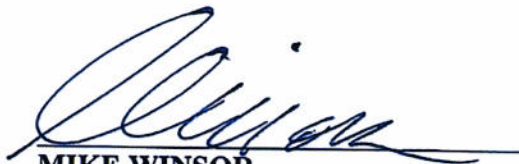
14. Upon execution of this Consent Agreement and full payment of the sum set forth in ¶ 1, the CSI shall fully and forever release and discharge the Respondent, Respondent's employees, and Respondent's agents from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the allegations herein, and will not commence any further administrative, civil, or other legal action based upon the regulatory non-compliance alleged herein.

15. This Consent Agreement shall be effective upon signing of the Final Order.

16. Respondent acknowledges that this Consent Agreement and Final Order are

public records under Montana law and as such may not be sealed or otherwise withheld from the public.

DATED this 21 day of March, 2018.



MIKE WINSOR

Attorney for the Department of Insurance

DATED this 13th day of April, 2018.

FEDERAL INSURANCE COMPANY

By: 

GREGORY A. VAN HORSEN

Attorney for Federal Insurance Company

FINAL ORDER

Pursuant to the authority vested by Mont. Code Ann. § 2-4-603, and the Montana Insurance Code, Mont. Code Ann. § 33-1-101 et seq., and upon review of the foregoing Consent Agreement and good cause appearing,

IT IS ORDERED that the foregoing Consent Agreement between the CSI and the Respondent is hereby adopted as if set forth fully herein.

DATED this 13 day of April, 2018.

MATTHEW M. ROSENDALE, SR.
Montana State Auditor
Commissioner of Securities and Insurance

By: Nancy Butler
NANCY BUTLER
Deputy State Auditor

cc: Mike Winsor, CSI
Gregory A. Van Horssen, Respondents